

110TH CONGRESS
1ST SESSION

S. 119

To prohibit profiteering and fraud relating to military action, relief, and reconstruction efforts, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 4, 2007

Mr. LEAHY (for himself, Mr. BINGAMAN, Mr. HARKIN, Mr. KERRY, Mr. LAUTENBERG, Mr. ROCKEFELLER, Mr. DORGAN, Mr. SCHUMER, Mr. WYDEN, Ms. CANTWELL, Mrs. CLINTON, Mr. MENENDEZ, and Mr. NELSON of Florida) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

A BILL

To prohibit profiteering and fraud relating to military action, relief, and reconstruction efforts, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “War Profiteering Pre-
5 vention Act of 2007”.

6 **SEC. 2. PROHIBITION OF PROFITEERING.**

7 (a) PROHIBITION.—

1 (1) IN GENERAL.—Chapter 47 of title 18,
 2 United States Code, is amended by adding at the
 3 end the following:

4 **“§ 1039. War profiteering and fraud relating to mili-**
 5 **tary action, relief, and reconstruction ef-**
 6 **forts**

7 “(a) PROHIBITION.—

8 “(1) IN GENERAL.—Whoever, in any matter in-
 9 volving a contract or the provision of goods or serv-
 10 ices, directly or indirectly, in connection with a war,
 11 military action, or relief or reconstruction activities
 12 within the jurisdiction of the United States Govern-
 13 ment, knowingly and willfully—

14 “(A)(i) executes or attempts to execute a
 15 scheme or artifice to defraud the United States;
 16 or

17 “(ii) materially overvalues any good or
 18 service with the specific intent to defraud and
 19 excessively profit from the war, military action,
 20 or relief or reconstruction activities;
 21 shall be fined under paragraph (2), imprisoned
 22 not more than 20 years, or both; or

23 “(B)(i) falsifies, conceals, or covers up by
 24 any trick, scheme, or device a material fact;

1 “(ii) makes any materially false, fictitious,
2 or fraudulent statements or representations; or

3 “(iii) makes or uses any materially false
4 writing or document knowing the same to con-
5 tain any materially false, fictitious or fraudu-
6 lent statement or entry;

7 shall be fined under paragraph (2) imprisoned
8 not more than 10 years, or both.

9 “(2) FINE.—A person convicted of an offense
10 under paragraph (1) may be fined the greater of—

11 “(A) \$1,000,000; or

12 “(B) if such person derives profits or other
13 proceeds from the offense, not more than twice
14 the gross profits or other proceeds.

15 “(b) EXTRATERRITORIAL JURISDICTION.—There is
16 extraterritorial Federal jurisdiction over an offense under
17 this section.

18 “(c) VENUE.—A prosecution for an offense under
19 this section may be brought—

20 “(1) as authorized by chapter 211 of this title;

21 “(2) in any district where any act in further-
22 ance of the offense took place; or

23 “(3) in any district where any party to the con-
24 tract or provider of goods or services is located.”.

1 (2) TABLE OF SECTIONS.—The table of sections
 2 for chapter 47 of title 18, United States Code, is
 3 amended by adding at the end the following:

“1039. War profiteering and fraud relating to military action, relief, and reconstruction efforts.”.

4 (b) CIVIL FORFEITURE.—Section 981(a)(1)(C) of
 5 title 18, United States Code, is amended by inserting
 6 “1039,” after “1032,”.

7 (c) CRIMINAL FORFEITURE.—Section 982(a)(2)(B)
 8 of title 18, United States Code, is amended by striking
 9 “or 1030” and inserting “1030, or 1039”.

10 (d) RICO.—Section 1956(c)(7)(D) of title 18, United
 11 States Code, is amended by inserting the following: “, sec-
 12 tion 1039 (relating to war profiteering and fraud relating
 13 to military action, relief, and reconstruction efforts)” after
 14 “liquidating agent of financial institution),”.

○